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ENERGY POLICY & PROCEDURES   EP 11-05

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Issue Date: September 16, 2011

Expiration Date: Until Further Notice

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TO: DOE WAP Contractors / Service Providers
                       CSD Staff

SUBJECT: DOE WAP Blended Utility Rate Policy

PURPOSE: To establish CSD policy and provide relevant procedures to implement
                       policy

EFFECTIVE DATE: September 26, 2011

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New Policy/
Policy Statement: CSD has established a prescriptive Utility Rate Schedule for use in single-family
                        energy audits using REM/Design and multi-family energy audits using TREAT.
                        This simplified electric rate and natural gas rate definition supersedes all previous
                        guidance on rate determination and any rate libraries distributed prior to the
                        effective date of this notice. Please issue this notification to all field supervisors
                        and energy auditors at your agency, for the correct application of this information
                        to your agency's energy audit files.

Background: Currently, agencies performing energy audits are required to collect and utilize
                        energy bills that reflect a multiple-tiered rate structure with seasonal variation.
                        This adoption of a blended utility rate schedule will provide the following
                        benefits:

- Single, utility-wide, blended rate simplifies analysis.

- Blended rates are based on statewide and utility-wide averages. These blended
  rates are 20% - 50% higher than the low income rate schedules commonly
  encountered in weatherization. This will allow more measures to meet SIR
  requirements when an energy audit is performed.

**Procedure or
Action Required:** **Choosing Electric and Natural Gas Rates**

Table 1 below shows the blended electric rate to be used for the major electric utilities in California.

Utility	Blended Rate ($/kWh)
PG&E	$ 0.152
SCE	$ 0.148
SDG&E	$ 0.157
LADWP	$ 0.129
SMUD	$ 0.115
Burbank MUD	$ 0.143
Glendale Water and Power	$ 0.143
Pasadena Water and Power	$ 0.143
All Other Utilities	$ 0.147

Table 1: Blended Electric Rate by Utility

Table 2 below shows the blended gas rate to be used for the major gas utilities in California.

Utility	Blended Rate ($/therm)
PG&E	$ 1.08
SCG	$ 1.00
SDGE	$ 1.19
All Other Utilities	$ 1.01

Table 2: Blended Natural Gas Rate by Utility

Application of the Electric and Natural Gas Blended Rates

As shown in Tables 1 and 2, specific blended rates are defined for the larger utilities in California. For the many smaller utilities not specifically listed in the tables, a statewide average rate is used.

To determine which electric rate should be used for a weatherization customer, look at the customer's bill to determine the utility company. Look up the rate defined for the company in Table 1. If the company is not explicitly identified in Table 1, use the "All Other Utilities" value.

To determine which natural gas rate should be used for a weatherization customer, look at the customer's bill to determine the natural gas utility company. Look up the rate defined for the company in Table 2. If the company is not explicitly identified in Table 2, use the "All Other Utilities" value.

For all other fuel types such as wood, propane, fuel oil and others, continue to estimate the fuel cost based on available billing data on a case-by-case basis.

Importing the Revised REM Library Files

A revised REM/Design Utility Library File has been provided as a separate document attached to this email and can be imported into your REM/Design software using the following steps:

1. Please Note: This new utility library file can be copied into your REM/Design Library prior to September 26, 2011. Incorporating this new file will not interfere with existing utility libraries.

2. Copy the REM//Design file "110926-Rate Library.lbt" to an established file location on your computer such as your desktop or a specific utility library file folder.

3. Open the REM/Design software on your computer.

4. On the top tool bar of the program, click on "Tools,"

5. From the drop-down menu under "Tools", select "Library Transfer".

6. With your cursor on "Library Transfer", navigate to the bar on the right side and click on "Open Transfer File".

7. Navigate to the location of the saved library file on your computer and select (double-click) the "110926-Rate Library.lbt" file.

8. A "Library Transfer" window will open with the "Transfer Library" files shown on the right side of the window and your "Program Libraries" will be on the left side of the window. You must transfer the files from the right side "Transfer Library" to the left side your "Program Libraries." Click on the lower button "<<Copy All". Close the "Library Transfer" window. The files are now transferred.

Contact: Please contact Chuck Belk at (916) 576-7212 (cbelk@csd.ca.gov) or Steve Lemke at (916) 576-4365 (slemke@csd.ca.gov) with any questions regarding this policy.

This Energy Policy & Procedures document will be posted on line. It will also be maintained as part of the Policy & Procedures manual.